

MINUTES OF THE SPECIAL CITY COUNCIL MEETING
WEDNESDAY- -MARCH 3, 2010- -6:15 P.M.

(10-106) The Special City Council meeting scheduled for March 3, 2010 to consider Conference with Legal Counsel – Existing Litigation; Significant Exposure to Litigation Pursuant to Subdivision (b) of Section 54956.9; Name of Case: Alameda Gateway Ltd. v. City of Alameda was cancelled.

Lara Weisiger
City Clerk

MINUTES OF THE SPECIAL COMMUNITY
IMPROVEMENT COMMISSION (CIC) MEETING
WEDNESDAY- -MARCH 3, 2010- -7:01 P.M.

Acting Chair Matarrese convened the meeting at 7:23 p.m.

ROLL CALL - Present: Commissioners Gilmore, Tam and Acting Chair Matarrese – 3.

Absent: Commissioner deHaan and Chair Johnson – 2.

CONSENT CALENDAR

Acting Chair Matarrese announced that the recommendation to authorize payment [paragraph no. 10-10] was removed from the Consent Calendar for discussion.

Commissioner Gilmore moved approval of the remainder of the Consent Calendar.

Acting Chair Matarrese seconded the motion, which carried by unanimous voice vote – 3. [Absent: Commissioner deHaan and Chair Johnson – 2.] [Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.]

(*10-09) Minutes of the Special Joint City Council, Alameda Reuse and Redevelopment Authority, and Community Improvement Commission Meetings of February 16, 2010. Approved.

(10-10) Recommendation to Authorize the Payment of \$4,431,444 in FY 2009-10 and \$912,356 in FY 2010-11 to the State of California;

(10-10A) Resolution No. 10-165 “Approving the Use of Business and Waterfront Improvement Project Low- and Moderate-Income Housing Funds for the Supplemental Educational Revenue Augmentation Fund Payment to the State of California For FY09-10 and FY10-11.” Adopted; and

(10-10B) Approve the Promissory Notes Between the Community Improvement Commission, Business and Waterfront Improvement Project Area Low- and Moderate-Income Housing Fund and the Community Improvement Commission Alameda Point Improvement Project Area Redevelopment Capital Projects Fund and the Community Improvement Commission, Business and Waterfront Improvement Project Area Redevelopment Capital Projects Fund Effectuating the Requisite Loans.

The Interim Executive Director gave a brief presentation.

Commissioner Tam inquired what would happen if one member does not vote in favor, to which the Interim Executive Director responded that the issue would have to be brought back.

Commissioner Gilmore stated the funds being taken by the State would not be paid back.

Commissioner Tam inquired why the City would willingly pay.

The Economic Development Director responded the City does not have a choice; stated the legislation imposes the death penalty on the redevelopment agency if payment is not made; the agency would be restricted from bonding and carrying out any new activity and would have to operate at 75% of administrative costs, which are typically less than 10% of annual expenses; operating at said level would prevent the agency from doing anything except making reports, preparing audits and doing accounting; although the State is taking money, none of the reporting requirements, which are very expensive, are being absolved.

Acting Chair Matarrese inquired whether non-payment would lead to staff just doing reporting, rather than making improvements, to which the Economic Development Director responded in the affirmative; stated every agency activity would be affected and there would have to be a reduction in staff; redevelopment agencies throughout the State have banded together and are suing to challenge the constitutionality of the take; hopefully, the matter will be resolved before payment is due in May; however, if the case is not over, the funds have to be set aside and could not be used.

Speaker: Robb Ratto, Park Street Business Association (PSBA).

The Interim Executive Director stated money is being loaned from the housing set aside to make the payment; said money will have to be paid back; the agency will be living pay check to pay check after payment is made; there will not be a cash fund balance; what comes in will be spent; there are no funds remaining if the State comes after the funds again; the agency cannot bond on its 80% set aside money, which is leveraged and committed to other projects; another State take would effectively shut down the agency, which would only exist to pay old bills.

Commissioner Tam stated there is a perception that redevelopment takes funds away from schools; requested an explanation of how redevelopment relates to schools.

The Interim Executive Director stated pass-through agreements are negotiated when redevelopment agencies are formed; the City of Alameda has made all other agencies whole; the other agencies still receive the same amount that was received before the redevelopment project area was formed; the School District is made whole and is given an amount for housing.

The Economic Development Director stated Alameda makes other agencies whole; other agencies also get 2% growth; the redevelopment agency is a local board making decisions about the needs of the community; the agency participated in Ruby Bridges School and participates in things other than the housing and capital funds that are passed through to the School District; schools have to be part of redevelopment;

Alameda Point cannot be built without schools; great education and great economic development happen together; most construction projects in the past couple of years have been funded through stimulus or redevelopment; the projects create local jobs.

Acting Chair Matarrese stated shutting the agency down would be a mistake; the City needs to be prepared to use the remaining money as best as possible and be prepared for what will happen at the back end for either a successor to the current redevelopment way of funding growth or be ready to follow the same pattern of administering projects.

Commissioner Tam moved approval of the staff recommendation, under great and deep protest, with direction to send a letter vehemently stating so; concurred with Acting Chair Matarrese about looking for a successor; stated private public partnership will have to be reviewed; public monies are not coming in; all remaining public money will have to be leveraged.

Commissioner Gilmore reluctantly seconded the motion.

Under discussion, Acting Chair Matarrese stated everyone is painfully voting aye; in addition to public private partnerships, the City has to review partnerships with other public agencies within the City and look to the federal government.

On the call for the question, the motion carried by unanimous voice vote – 3. [Absent: Commissioner deHaan and Chair Johnson – 2.]

EXECUTIVE DIRECTOR COMMUNICATION

(10-11) Civic Center Master Plan – Vision Concept

The Interim Executive Director gave a brief presentation; introduced representatives from Urban Community Partners and Urban Design Associates.

Barry Long, Urban Design Associates, gave a Power Point presentation.

Speakers: Amy George, Autobody Fine Art; Chris Buckley, Alameda Architectural Preservation Society; and Robb Ratto, PSBA.

Following Ms. George's comments, Acting Chair Matarrese stated the City needs to do a better job promoting public art.

Commissioner Gilmore thanked staff and the consultants for the amazing vision; stated the consultants understand the City's history, which is important for the community; that she appreciates what was said about the Carnegie building.

Commissioner Tam expressed her appreciation to staff; stated the courtyard themes are very impressive; the look and feel of the vision are in keeping with Alameda; the struggle is how the "ideal" meets the reality, which results in compromises; dealing with

private property rights is always a challenge; hopefully, revitalizing the Carnegie will not take 30 years, as did building the library; that she looks forward to hearing about implementation.

The Interim Executive Director stated in her very first finance class related to land use, Donald Bren from the Irvine Company stated: "Vision without implementation is nothing more than a dream;" there is no point in spending effort creating a vision that is going to sit on a shelf; the effort was framed knowing there are some immediate opportunities at the Towata building, gas station, Cargenie building and CVS, parallel with Citywide asset management; the City owns land that perhaps the City should not own and that could be used for other things; the implementation plan, which will be discussed in a month, addresses immediate steps that will generate money and allow the Cargnie to be done first; things will start within the next 15 to 18 months; Economic Development is working on obtaining small grants for the Carnegie and obtaining grants for the Fire Station, which will bring more money to the table.

Acting Chair Matarrese stated that he was on the Downtown Vision Task Force ten years ago and the only accomplishment missing from said plan is doing the Civic Center; the plan can be done; the theater and parking garage were done in spite of opposition; he believes the Carnegie was a gift to the City for cultural and educational use, which can be debated later; the plan calls to be put out to the public; thanked staff and consultants for the plan; encouraged members of the public to get the word out; expressed support for the ideas presented for the gas station; stated that he likes having an identified cultural district to recognize the historic museum and art galleries and the potential of having a hotel, even if it is smaller, in the Civic Center; requested the presentation be posted on the website.

AGENDA ITEMS

None.

ADJOURNMENT

There being no further business, Acting Chair Matarrese adjourned the meeting at 8:46 p.m.

Respectfully submitted,

Lara Weisiger
Secretary

The agenda for this meeting was posted in accordance with the Brown Act.